

**UMTSHEZI
MUNICIPALITY
KZN234**



**MFMA SECTION 28 REPORT –
2014/15
ADJUSTMENTS BUDGET**

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PART 1 – ADJUSTMENT'S BUDGET

Mayor's Report

Section 28 of the Municipal Finance Management Act, No. 56 of 2003, states that the Mayor must table an adjustments budget in the Municipal Council at any time after the mid-year budget and performance assessment has been tabled in council but no later than the 28th of February as per Treasury guidelines.

The Mid-Year Budget and Performance Assessment for the six months ending December 2014 was tabled in Council on the 22nd of January 2015. Recommendations were made in the report that an adjustments budget be drafted as a result of some of the variances detailed in the assessment. The adjustments budget is detailed in this report and takes into consideration all the matters raised in the Mid-Year Budget Assessment.

Overall, the budgeted operating financial performance of the municipality will decrease by R3,429 million. The overall original deficit, including capital transfers, will decline in the adjustments budget to a deficit of R8,2 million. This is due to the decrease in electrical income, which is caused by the load shedding.

The capital expenditure has also been adjusted. Additional grants have been gazetted in the DORA in December 2014 resulting in additional capital grants that will be forwarded to the Municipality, namely the Neighbourhood Partnership Development Grant. Additional grants from the Province have also been gazetted, namely, the Small Town Rehabilitation grant and the Infrastructure Sports Facilities Grant. There are also increases in council funded assets that amount to a net adjustment of R5,8million. This is detailed in the Executive Summary and attached Detailed Capital Budget. The tables in this document provide details of the adjustments to the capital and operating estimates. I strongly recommend that the Council approves the Adjustments Budget.

**MAYOR
COUNCILLOR B.D DLAMINI**

Resolutions

It is recommended:

1. THAT THE 2014/2015 ADJUSTMENTS BUDGET BE APPROVED
2. THAT THE ADJUSTMENTS PERMITTED IN TERMS OF SECTION 28(2) OF THE MFMA BE APPROVED.
3. THAT THE TRANSFER OF FUNDS TO A SEPARATE BANK ACCOUNT BE APPROVED FOR PURPOSES CONTEMPLATED IN SECTION 12 OF THE MFMA

Executive Summary

A Mid-Year Budget Performance Report was tabled in Council on the 22nd of January 2015. This report highlighted the financial and non-financial performance of the Municipality for the first half of the financial year. In this report certain recommendations had been made based on the financial performance of the Municipality. These recommendations and additional trends that had been analysed have been taken into account when drafting this adjustments budget. In addition to this, the economic climate, both internal and external, was considered.

BACKGROUND

An adjustments budget is usually tabled before Council at the prescribed time, namely, 60 days after the adjustments to the Division of Revenue Act (DORA) have been gazetted. The Adjusted DORA was gazetted in December 2014 which effectively means that the adjustments budget should be tabled before the end of February 2015.

The Mid-Year Budget Performance Report highlighted variances in terms of year to date income and expenditures versus year to date budgets. These variances were considered and adjustments made, where necessary, in this adjustments budget.

When drafting the adjustments budget, consideration was always given to Section 18 of the MFMA which states that:

“An annual budget may only be funded from-

- a) realistically anticipated revenues to be collected;*
- b) cash-backed accumulated funds from previous years’ surpluses not committed for other purposes; and*
- c) borrowed funds, but only for the capital budget referred to in section 17(2)*
- (2) Revenue projections in the budget must be realistic, taking into account-*
 - a) projected revenue for the current year based on collection levels to date; and*
 - b) actual revenue collected in previous financial years.”*

Great emphasis was placed in ensuring that the budget is realistically funded. A complete analysis of the various financial scenarios and outcomes was done and the best viable solution sought. The supporting document on budget funding highlights the various funding sources identified to ensure that cash reserves are always available to fund expenditure. The eventual outcome was to ensure that the adjustments budget was credible.

A credible budget is described as one that:

- ☐ Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality
- ☐ Is achievable in terms of agreed service delivery and performance targets
- ☐ Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions
- ☐ Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- ☐ Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

SUMMARY OF ADJUSTMENTS

OPERATING BUDGET

Total operating income decreased from the original budget of R316million to R302million. This is due to the decrease in Electricity Income which is our main source of income. This decrease is caused by the lower usage of electricity by the firms due to load shedding. The Second contributing factor is the decrease in Refuse Revenue. This is due to the low collection from debtors, as the debt collection tender has not yet been awarded.

The total operating expenditure has increased from R335million to R348million. This was

mainly due to the adjustment made to debt impairment of 4million. The debt impairment was under budgeted for as there will be debt of about 12million that will be written off during the year. Finance costs have also increased by 5million. This was also under budgeted for, as the interest on the new loan and the yellow plant leases were not taken into consideration when the original budget was being prepared. The increase in other expenditure is mainly due to the increase in consumption of fuel which is caused by the new plant.

The following expenditure items have been adjusted:

1. Finance Charges

The operating lease charges have increased significantly due to the new yellow plant lease and the new ABSA loan. The finance charges have been adjusted by 5million

2. Debt Impairment

Debt impairment has increased by 4 million. The write offs have been estimated to amount to 12 million for the current financial year. The original budget was therefore not sufficient. Hence there was a need for an adjustment.

3. Repairs and Maintenance

Much needed maintenance was required for Electricity networks. Maintenance of municipal halls and Municipal vehicles also needs to be done urgently. As a result of this, this expenditure was increased by R2million.

4. Other expenditure

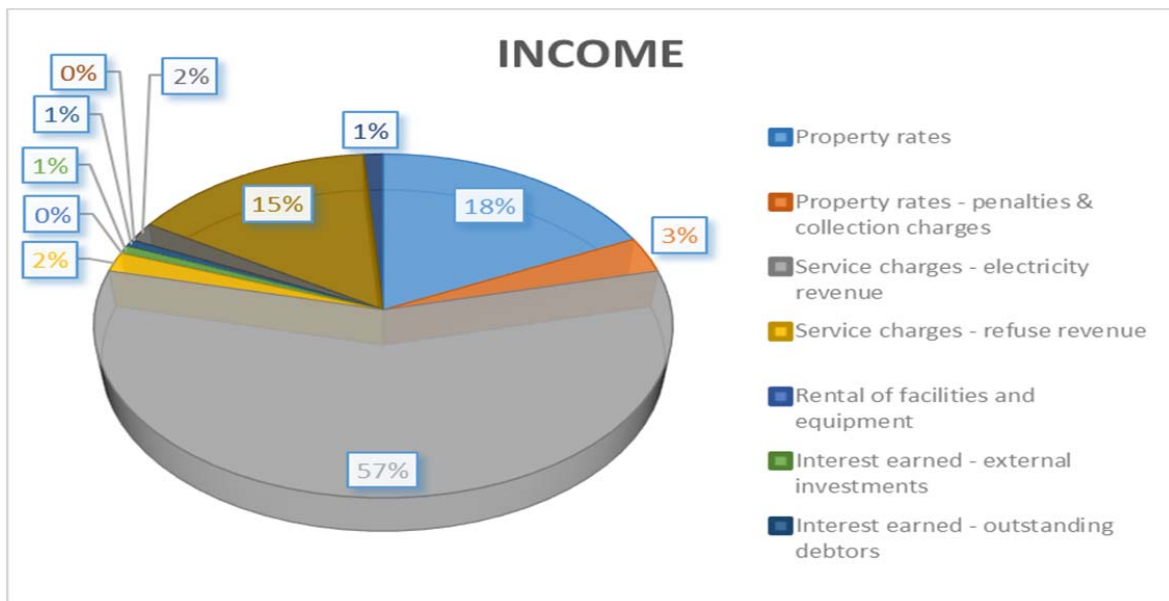
The Yellow Plant and the new fleet that the municipality has purchased in the previous financial year uses a lot of fuel hence the fuel votes had to be adjusted.

5 Bulk Purchases

Bulk purchases have decreased by 8million, this is due to the factories using less electricity because of load shedding. Therefore the demand for electricity has decreased and the purchases will therefore also decrease.

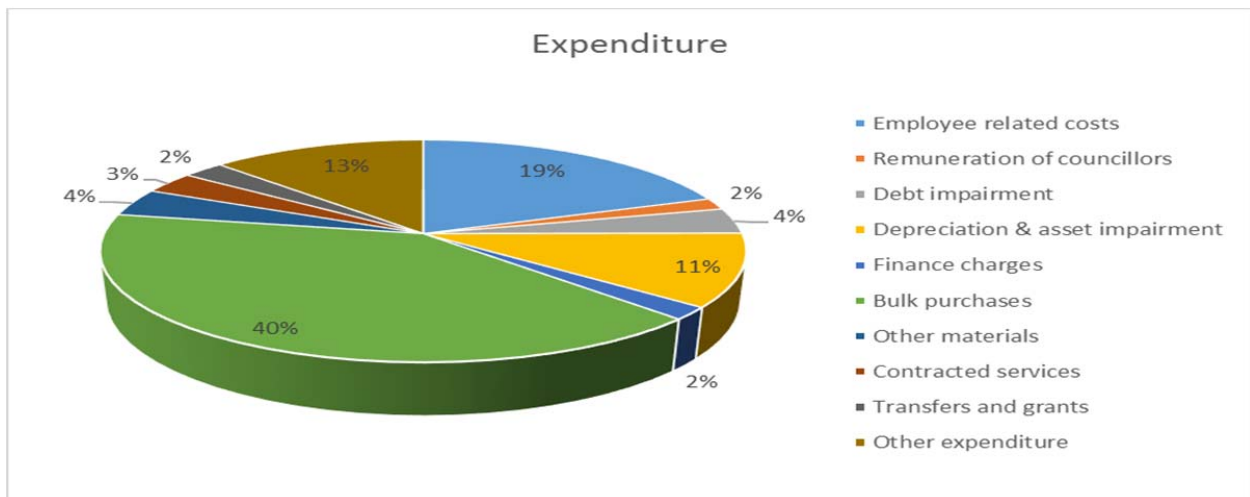
Below we will find tables that summarise the adjusted operating income and expenditure of the municipality.

Description	Original Budget	Adjusted Budget
R thousands		
Property rates	54,206	54,206
Property rates - penalties & collection charges	6,198	10,054
Service charges - electricity revenue	188,937	173,937
Service charges - refuse revenue	7,478	5,478
Rental of facilities and equipment	490	130
Interest earned - external investments	2,211	2,250
Interest earned - outstanding debtors	1,912	1,912
Fines	122	62
Licences and permits	5,440	5,440
Transfers recognised - operating	45,778	45,331
Other revenue	3,649	3,655
Total Revenue	316,421	302,455



From the tables above we can see that electricity income has decreased but still remains our main source of income which makes up 57% of our total income. Our penalties and collection charges budget has been increased by 3.8 million. Fines have also been decreased due to the low collection during the year.

Description	Original Budget	Adjusted Budget
R thousands		
Employee related costs	67,946	67,946
Remuneration of councillors	5,908	5,908
Debt impairment	8,533	12,908
Depreciation & asset impairment	37,030	37,030
Finance charges	1,392	6,392
Bulk purchases	148,988	140,988
Other materials	11,856	13,961
Contracted services	10,906	10,886
Transfers and grants	8,537	8,537
Other expenditure	34,093	43,607
Total Expenditure	335,189	348,162



From the above table we can see that there has been an increase in debt impairment, Finance charges, repairs and maintenance, other expenditure and a Decrease in bulk purchases. Bulk purchases have decreased due to a decrease in demand caused by a low usage by factories because of the load shedding. Bulk purchases still remains our highest expenditure item at 40 percent of our total expenditure. Other expenditure is at 12 percent.

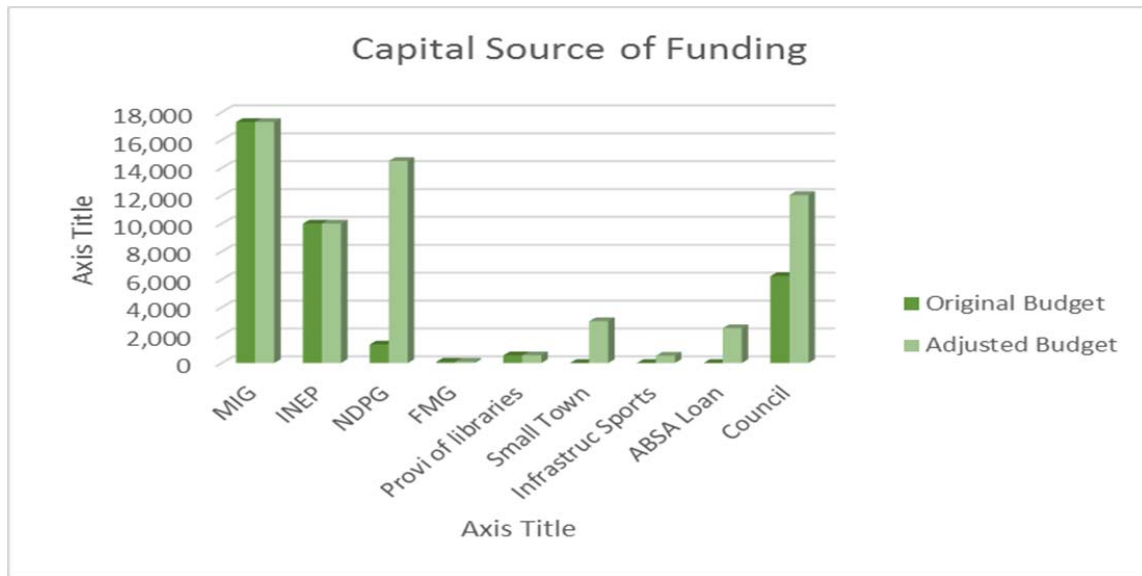
CAPITAL EXPENDITURE

Total capital expenditure was originally estimated to be R35,5 million. This was originally funded as follows:

NDPG	R1,326,000
MIG	R17,289,000
INEP	R10,000,000
COUNCIL	R 6,234,000
Provi of Libr	R 550,000
FMG	R 100,000

There have been adjustments made to the allocations or grants for the Municipality that have resulted in a change to the above and resultant capital expenditure of R60,5 million. Grant funding of this expenditure is detailed in the 'Adjustments to Grant Allocations', in the supporting documents of this report. Below is a summary of the funding sources to the adjusted capital expenditure:

Funding Source	Original Budget	Adjusted Budget
	R('000)	R' (000)
MIG	17,289	17,289
INEP	10,000	10,000
NDPG	1,326	14,500
FMG	100	100
Provi of libraries	550	550
Small Town	-	3000
Infrastruc Sports	-	525
ABSA Loan	-	2,500
Council	6,234	12,050
TOTAL	35,499	60,514



There has been a large increase in council funded capital expenditure. Council funding has increased from 6,2 million to 12 million. The municipality has received R 525,000 from the province which will be used for a sports ground. The municipality also received R3000,000 From the Small Town Rehabilitation grant. The original amount gazzeted for the NDPG WAS 1,3 million, however the municipality received a further amount of R13million from the grant.

CONCLUSION

The adjustments that have been made in the adjustments budget is necessary due to the changes that have taken place in terms of DORA, the results of the mid-year budget and performance review and other items deemed necessary to ensure service delivery

BUDGET TABLES

KZN234 Umtshezi - Table B1 Adjustments Budget Summary -

Description	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	60,404	-	-	-	-	-	3,856	3,856	64,260	64,028	67,870
Service charges	196,415	-	-	-	-	-	(17,000)	(17,000)	179,415	210,656	225,931
Investment revenue	2,211	-	-	-	-	-	39	39	2,250	2,344	2,484
Transfers recognised - operational	45,778	-	-	-	-	(447)	-	(447)	45,331	55,317	58,702
Other own revenue	11,613	-	-	-	-	-	(414)	(414)	11,199	12,310	13,048
Total Revenue (excluding capital transfers and contributions)	316,421	-	-	-	-	(447)	(13,519)	(13,966)	302,455	344,655	368,035
Employee costs	67,946	-	-	-	-	-	-	-	67,946	72,294	76,921
Remuneration of councillors	5,908	-	-	-	-	-	-	-	5,908	6,369	6,866
Depreciation & asset impairment	37,030	-	-	-	-	-	-	-	37,030	39,178	41,450
Finance charges	1,392	-	-	-	-	-	5,000	5,000	6,392	1,473	1,558
Materials and bulk purchases	160,844	-	-	-	-	-	(5,895)	(5,895)	154,949	173,540	187,244
Transfers and grants	8,537	-	-	-	-	-	-	-	8,537	8,998	9,484
Other expenditure	53,532	-	-	-	-	-	13,868	13,868	67,400	56,500	59,634
Total Expenditure	335,189	-	-	-	-	-	12,973	12,973	348,162	358,352	383,157
Surplus/(Deficit)	(18,768)	-	-	-	-	(447)	(26,492)	(26,939)	(45,707)	(13,697)	(15,122)
Transfers recognised - capital	28,615	-	-	-	-	16,824	-	16,824	45,439	28,090	28,721
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	9,847	-	-	-	-	16,377	(26,492)	(10,115)	(268)	14,393	13,599
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	9,847	-	-	-	-	16,377	(26,492)	(10,115)	(268)	14,393	13,599
Capital expenditure & funds sources											
Capital expenditure	35,499	-	-	-	-	16,174	8,316	24,490	59,989	37,558	39,738
Transfers recognised - capital	29,265	-	-	-	-	16,174	-	16,174	45,439	30,962	32,759
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	2,500	2,500	2,500	-	-
Internally generated funds	6,234	-	-	-	-	-	5,816	5,816	12,050	6,596	6,979
Total sources of capital funds	35,499	-	-	-	-	16,174	8,316	24,490	59,989	37,558	39,738
Financial position											
Total current assets	99,333	-	-	-	-	-	-	-	99,333	148,320	156,984
Total non current assets	613,246	-	-	-	-	-	-	-	613,246	648,815	686,446
Total current liabilities	63,565	-	-	-	-	-	(4,500)	(4,500)	59,065	39,269	41,546
Total non current liabilities	25,566	-	-	-	-	-	-	-	25,566	8,086	8,617
Community wealth/Equity	623,448	-	-	-	-	-	4,500	4,500	627,948	749,779	793,267
Cash flows											
Net cash from (used) operating	36,353	-	-	-	-	-	(27,740)	(27,740)	8,613	69,570	71,307
Net cash from (used) investing	(28,577)	-	-	-	-	-	-	-	(28,577)	(28,090)	(28,721)
Net cash from (used) financing	(1,329)	-	-	-	-	-	-	-	(1,329)	(1,406)	(1,487)
Cash/cash equivalents at the year end	36,051	-	-	-	-	-	(27,740)	(27,740)	8,311	40,074	41,099
Cash backing/surplus reconciliation											
Cash and investments available	30,614	-	-	-	-	-	-	-	30,614	32,448	34,392
Application of cash and investments	(18,427)	-	-	-	-	-	(1,309)	(1,309)	(19,736)	(97,165)	(102,808)
Balance - surplus (shortfall)	49,041	-	-	-	-	-	1,309	1,309	50,350	129,613	137,200
Asset Management											
Asset register summary (WDV)	659,140	-	-	-	-	-	-	-	659,140	641,963	640,273
Depreciation & asset impairment	37,030	-	-	-	-	-	-	-	37,030	39,178	41,450
Renewal of Existing Assets	10,000	-	-	-	-	-	-	-	10,000	10,580	11,194
Repairs and Maintenance	67,390	-	-	-	-	-	-	-	67,390	71,298	75,433
Free services											
Cost of Free Basic Services provided	9,335	-	-	-	-	-	-	-	9,335	10,268	11,297
Revenue cost of free services provided	55,704	-	-	-	-	-	-	-	55,704	59,391	63,346
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	6	-	-	-	-	-	-	-	6	7	7

Adjustments budget 2014/2015

KZN234 Umtshezi - Table B2 Adjustments Budget Financial Performance (standard classification) -

Standard Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Standard												
<i>Governance and administration</i>		106,914	-	-	-	-	525	7,115	7,640	114,554	114,172	122,393
Executive and council		2,973	-	-	-	-	-	141	141	3,113	3,174	3,403
Budget and treasury office		103,624	-	-	-	-	525	7,124	7,649	111,274	110,659	118,627
Corporate services		317	-	-	-	-	-	(150)	(150)	167	339	363
<i>Community and public safety</i>		3,708	-	-	-	-	128	(279)	(151)	3,557	3,960	4,245
Community and social services		2,956	-	-	-	-	128	-	128	3,084	3,158	3,385
Sport and recreation		131	-	-	-	-	-	(58)	(58)	73	140	150
Public safety		620	-	-	-	-	-	(221)	(221)	399	662	710
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		23,658	-	-	-	-	15,624	(68)	15,556	39,214	25,264	27,084
Planning and development		-	-	-	-	-	15,624	-	15,624	15,624	-	-
Road transport		23,658	-	-	-	-	-	(68)	(68)	23,590	25,264	27,084
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		210,756	-	-	-	-	(10,751)	(9,436)	(20,187)	190,569	229,348	242,404
Electricity		203,276	-	-	-	-	(10,751)	(7,436)	(18,187)	185,089	221,361	233,842
Water		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		7,479	-	-	-	-	-	(2,000)	(2,000)	5,479	7,987	8,562
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	345,036	-	-	-	-	5,526	(2,668)	2,858	347,894	372,744	396,126
Expenditure - Standard												
<i>Governance and administration</i>		82,386	-	-	-	-	-	8,535	8,535	90,921	88,104	94,229
Executive and council		20,510	-	-	-	-	-	350	350	20,860	21,933	23,458
Budget and treasury office		51,460	-	-	-	-	-	8,258	8,258	59,718	55,032	58,858
Corporate services		10,416	-	-	-	-	-	(73)	(73)	10,343	11,139	11,913
<i>Community and public safety</i>		30,289	-	-	-	-	-	3,583	3,583	33,872	38,363	43,189
Community and social services		18,470	-	-	-	-	-	914	914	19,384	23,938	27,207
Sport and recreation		4,372	-	-	-	-	-	2,240	2,240	6,611	6,461	7,465
Public safety		7,447	-	-	-	-	-	429	429	7,876	7,964	8,517
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		38,842	-	-	-	-	-	2,793	2,793	41,635	41,537	44,424
Planning and development		13,232	-	-	-	-	-	1,431	1,431	14,663	14,151	15,134
Road transport		25,610	-	-	-	-	-	1,362	1,362	26,972	27,386	29,290
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		183,109	-	-	-	-	-	(1,957)	(1,957)	181,152	189,745	200,672
Electricity		174,709	-	-	-	-	-	(3,833)	(3,833)	170,876	184,143	194,681
Water		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		8,400	-	-	-	-	-	1,876	1,876	10,276	5,602	5,991
<i>Other</i>		562	-	-	-	-	-	20	20	582	603	642
Total Expenditure - Standard	3	335,189	-	-	-	-	-	12,973	12,973	348,162	358,352	383,156
Surplus/ (Deficit) for the year		9,847	-	-	-	-	5,526	(15,641)	(10,115)	(268)	14,392	12,970

Adjustments budget 2014/2015

KZN234 Umtshezi - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - CORPORATE SERVICES		12,406	-	-	-	-	128	(230)	(102)	12,303	13,248	14,203
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANNC E DEPARTMENT		103,624	-	-	-	-	525	7,124	7,649	111,274	110,659	118,627
Vote 4 - CIVIL SERVICES		18,006	-	-	-	-	-	(68)	(68)	17,938	19,228	20,613
Vote 5 - PLANNING, ECONOMIC & COMMUNITY SERVICE		7,724	-	-	-	-	15,624	(2,058)	13,566	21,290	8,248	8,841
Vote 6 - ELECTRICAL SERVICES		203,276	-	-	-	-	(10,751)	(7,436)	(18,187)	185,089	221,361	233,841
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	345,036	-	-	-	-	5,526	(2,668)	2,858	347,894	372,744	396,125
Expenditure by Vote	1											
Vote 1 - CORPORATE SERVICES		41,500	-	-	-	-	-	(92)	(92)	41,408	44,378	47,464
Vote 2 - MUNICIPAL MANAGER		1,513	-	-	-	-	-	60	60	1,573	1,618	1,731
Vote 3 - FINANNC E DEPARTMENT		51,460	-	-	-	-	-	8,258	8,258	59,718	55,033	58,858
Vote 4 - CIVIL SERVICES		22,964	-	-	-	-	-	1,361	1,361	24,325	24,557	26,264
Vote 5 - PLANNING, ECONOMIC & COMMUNITY SERVICE		43,043	-	-	-	-	-	7,219	7,219	50,262	48,622	54,160
Vote 6 - ELECTRICAL SERVICES		174,709	-	-	-	-	-	(3,833)	(3,833)	170,876	184,143	194,681
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	335,189	-	-	-	-	-	12,973	12,973	348,162	358,351	383,158
Surplus/ (Deficit) for the year	2	9,847	-	-	-	-	5,526	(15,641)	(10,115)	(268)	14,393	12,967

Adjustments budget 2014/2015

KZN234 Umtshezi - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	54,206	-	-	-	-	-	-	-	54,206	57,458	60,906
Property rates - penalties & collection charges		6,198						3,856	3,856	10,054	6,570	6,964
Service charges - electricity revenue	2	188,937	-	-	-	-	-	(15,000)	(15,000)	173,937	202,730	217,529
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	7,478	-	-	-	-	-	(2,000)	(2,000)	5,478	7,926	8,402
Service charges - other		-						-	-	-	-	-
Rental of facilities and equipment		490						(360)	(360)	130	519	550
Interest earned - external investments		2,211						39	39	2,250	2,344	2,484
Interest earned - outstanding debtors		1,912						-	-	1,912	2,027	2,148
Dividends received		-						-	-	-	-	-
Fines		122						(60)	(60)	62	129	137
Licences and permits		5,440						-	-	5,440	5,767	6,113
Agency services		-						-	-	-	-	-
Transfers recognised - operating		45,778					(447)	-	(447)	45,331	55,317	58,702
Other revenue	2	3,649	-	-	-	-	-	6	6	3,655	3,868	4,100
Gains on disposal of PPE		-						-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		316,421	-	-	-	-	(447)	(13,519)	(13,966)	302,455	344,655	368,035
Expenditure By Type												
Employee related costs		67,946	-	-	-	-	-	-	-	67,946	72,294	76,921
Remuneration of councillors		5,908						-	-	5,908	6,369	6,866
Debt impairment		8,533						4,375	4,375	12,908	9,028	9,552
Depreciation & asset impairment		37,030	-	-	-	-	-	-	-	37,030	39,178	41,450
Finance charges		1,392						5,000	5,000	6,392	1,473	1,558
Bulk purchases		148,988	-	-	-	-	-	(8,000)	(8,000)	140,988	160,996	173,973
Other materials		11,856						2,105	2,105	13,961	12,544	13,271
Contracted services		10,906	-	-	-	-	-	(20)	(20)	10,886	11,538	12,208
Transfers and grants		8,537						-	-	8,537	8,998	9,484
Other expenditure		34,093	-	-	-	-	-	9,514	9,514	43,607	35,934	37,874
Loss on disposal of PPE		-						-	-	-	-	-
Total Expenditure		335,189	-	-	-	-	-	12,973	12,973	348,162	358,352	383,157
Surplus/(Deficit)		(18,768)	-	-	-	-	(447)	(26,492)	(26,939)	(45,707)	(13,697)	(15,122)
Transfers recognised - capital		28,615					16,824		16,824	45,439	28,090	28,721
Contributions		-							-	-	-	-
Contributed assets		-							-	-	-	-
Surplus/(Deficit) before taxation		9,847	-	-	-	-	16,377	(26,492)	(10,115)	(268)	14,393	13,599
Taxation		-							-	-	-	-
Surplus/(Deficit) after taxation		9,847	-	-	-	-	16,377	(26,492)	(10,115)	(268)	14,393	13,599
Attributable to minorities		-							-	-	-	-
Surplus/(Deficit) attributable to municipality		9,847	-	-	-	-	16,377	(26,492)	(10,115)	(268)	14,393	13,599
Share of surplus/ (deficit) of associate		-							-	-	-	-
Surplus/ (Deficit) for the year		9,847	-	-	-	-	16,377	(26,492)	(10,115)	(268)	14,393	13,599

Adjustments budget 2014/2015

KZN234 Umtshezi - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2014/15									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANNCE DEPARTMENT		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - CIVIL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - PLANNING, ECONOMIC & COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - CORPORATE SERVICES		1,475	-	-	-	-	-	2,385	2,385	3,859	1,560	1,651
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANNCE DEPARTMENT		158	-	-	-	-	-	(58)	(58)	100	167	177
Vote 4 - CIVIL SERVICES		18,061	-	-	-	-	-	(424)	(424)	17,637	19,108	20,217
Vote 5 - PLANNING, ECONOMIC & COMMUNITY SERVICES		3,406	-	-	-	-	16,174	8,785	24,959	28,365	3,604	3,813
Vote 6 - ELECTRICAL SERVICES		12,400	-	-	-	-	-	(2,372)	(2,372)	10,028	13,119	13,880
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		35,499	-	-	-	-	16,174	8,316	24,490	59,989	37,558	39,738
Total Capital Expenditure - Vote		35,499	-	-	-	-	16,174	8,316	24,490	59,989	37,558	39,738
Capital Expenditure - Standard												
Governance and administration		1,633	-	-	-	-	-	2,327	2,327	3,959	1,727	1,828
Executive and council												
Budget and treasury office		158					-	(58)	(58)	100	167	177
Corporate services		1,475					-	2,385	2,385	3,859	1,560	1,651
Community and public safety		3,406	-	-	-	-	16,174	8,785	24,959	28,365	3,604	3,813
Community and social services		3,406					16,174	8,785	24,959	28,365	3,604	3,813
Sport and recreation												
Public safety												
Housing												
Health												
Economic and environmental services		18,061	-	-	-	-	-	(424)	(424)	17,637	19,108	20,217
Planning and development												
Road transport		18,061					-	(424)	(424)	17,637	19,108	20,217
Environmental protection												
Trading services		12,400	-	-	-	-	-	(2,372)	(2,372)	10,028	13,119	13,880
Electricity		12,400						(2,372)	(2,372)	10,028	13,119	13,880
Water												
Waste water management												
Waste management												
Other												
Total Capital Expenditure - Standard	3	35,499	-	-	-	-	16,174	8,316	24,490	59,989	37,558	39,738
Funded by:												
National Government		28,715					13,174		13,174	41,889	30,380	32,143
Provincial Government		550					3,000		3,000	3,550	582	616
District Municipality												
Other transfers and grants												
Total Capital transfers recognised	4	29,265	-	-	-	-	16,174	-	16,174	45,439	30,962	32,759
Public contributions & donations												
Borrowing								2,500	2,500	2,500		
Internally generated funds		6,234						5,816	5,816	12,050	6,596	6,979
Total Capital Funding		35,499	-	-	-	-	16,174	8,316	24,490	59,989	37,558	39,738

Adjustments budget 2014/2015

KZN234 Umtshezi - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
ASSETS												
Current assets												
Cash		1,409							-	1,409	1,491	1,577
Call investment deposits	1	29,205	-	-	-	-	-	-	-	29,205	30,957	32,815
Consumer debtors	1	49,868	-	-	-	-	-	-	-	49,868	95,927	101,491
Other debtors		17,277							-	17,277	18,279	19,339
Current portion of long-term receivables									-	-	-	-
Inventory		1,574							-	1,574	1,666	1,762
Total current assets		99,333	-	-	-	-	-	-	-	99,333	148,320	156,984
Non current assets												
Long-term receivables		584							-	584	618	654
Investments									-	-		
Investment property									-	-		
Investment in Associate									-	-		
Property , plant and equipment	1	612,662	-	-	-	-	-	-	-	612,662	648,197	685,792
Agricultural									-	-		
Biological									-	-		
Intangible									-	-		
Other non-current assets									-	-		
Total non current assets		613,246	-	-	-	-	-	-	-	613,246	648,815	686,446
TOTAL ASSETS		712,579	-	-	-	-	-	-	-	712,579	797,135	843,430
LIABILITIES												
Current liabilities												
Bank overdraft									-	-		
Borrowing		1,329	-	-	-	-	-	-	-	1,329	1,406	1,487
Consumer deposits		3,035							-	3,035	3,212	3,398
Trade and other payables		41,278	-	-	-	-	-	(4,500)	(4,500)	36,778	15,689	16,599
Provisions		17,923							-	17,923	18,962	20,062
Total current liabilities		63,565	-	-	-	-	-	(4,500)	(4,500)	59,065	39,269	41,546
Non current liabilities												
Borrowing	1	7,643	-	-	-	-	-	-	-	7,643	8,086	8,617
Provisions	1	17,923	-	-	-	-	-	-	-	17,923	-	-
Total non current liabilities		25,566	-	-	-	-	-	-	-	25,566	8,086	8,617
TOTAL LIABILITIES		89,131	-	-	-	-	-	(4,500)	(4,500)	84,631	47,355	50,163
NET ASSETS	2	623,448	-	-	-	-	-	4,500	4,500	627,948	749,780	793,267
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		622,353	-	-	-	-	-	4,500	4,500	626,853	748,620	792,041
Reserves		1,095	-	-	-	-	-	-	-	1,095	1,159	1,226
TOTAL COMMUNITY WEALTH/EQUITY		623,448	-	-	-	-	-	4,500	4,500	627,948	749,779	793,267

Adjustments budget 2014/2015

KZN234 Umtshezi - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other		240,837						(24,180)	(24,180)	216,657	284,967	304,700
Gov ernment - operating	1	45,778							-	45,778	55,317	58,072
Gov ernment - capital	1	28,615							-	28,615	28,090	28,721
Interest		2,211						39	39	2,250	2,344	2,484
Dividends									-	-	-	-
Payments												
Suppliers and employees		(279,696)						(3,599)	(3,599)	(283,295)	(299,675)	(321,112)
Finance charges		(1,392)						-	-	(1,392)	(1,473)	(1,558)
Transfers and Grants	1								-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		36,353	-	-	-	-	-	(27,740)	(27,740)	8,613	69,570	71,307
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE									-	-		
Decrease (Increase) in non-current debtors		134							-	134		
Decrease (Increase) other non-current receivables									-	-		
Decrease (Increase) in non-current investments		(96)							-	(96)		
Payments												
Capital assets		(28,615)							-	(28,615)	(28,090)	(28,721)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(28,577)	-	-	-	-	-	-	-	(28,577)	(28,090)	(28,721)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									-	-		
Borrowing long term/refinancing									-	-		
Increase (decrease) in consumer deposits									-	-		
Payments												
Repayment of borrowing		(1,329)							-	(1,329)	(1,406)	(1,487)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1,329)	-	-	-	-	-	-	-	(1,329)	(1,406)	(1,487)
NET INCREASE/ (DECREASE) IN CASH HELD												
		6,447	-	-	-	-	-	(27,740)	(27,740)	(21,293)	40,074	41,099
Cash/cash equivalents at the year begin:	2	29,604							-	29,604		
Cash/cash equivalents at the year end:	2	36,051	-	-	-	-	-	(27,740)		8,311	40,074	41,099

KZN234 Umtshezi - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	36,051	-	-	-	-	-	(27,740)	(27,740)	8,311	40,074	41,099
Other current investments > 90 days		(5,437)	-	-	-	-	-	27,740	27,740	22,303	(7,626)	(6,707)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		30,614	-	-	-	-	-	-	-	30,614	32,448	34,392
Applications of cash and investments												
Unspent conditional transfers		26,449	-	-	-	-	-	-	-	26,449	-	-
Unspent borrowing												
Statutory requirements												
Other working capital requirements	2	(45,971)	-					(1,309)	(1,309)	(47,280)	(98,324)	(104,034)
Other provisions												
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		1,095	-					-	-	1,095	1,159	1,226
Total Application of cash and investments:		(18,427)	-	-	-	-	-	(1,309)	(1,309)	(19,736)	(97,165)	(102,808)
Surplus(shortfall)		49,041	-	-	-	-	-	1,309	1,309	50,350	129,613	137,200

KZN234 Umtshezi - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling									-	-		
Piped water inside yard (but not in dwelling)									-	-		
Using public tap (at least min.service level)	2								-	-		
Other water supply (at least min.service level)									-	-		
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3								-	-		
Other water supply (< min.service level)	3,4								-	-		
No water supply									-	-		
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:												
Flush toilet (connected to sewerage)									-	-		
Flush toilet (with septic tank)									-	-		
Chemical toilet									-	-		
Pit toilet (ventilated)									-	-		
Other toilet provisions (> min.service level)									-	-		
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Bucket toilet									-	-		
Other toilet provisions (< min.service level)									-	-		
No toilet provisions									-	-		
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
Energy:												
Electricity (at least min. service level)		6050							-	6,050	6655	7321
Electricity - prepaid (> min.service level)		9350							-	9,350	10285	11313
Minimum Service Level and Above sub-total		15,400	-	-	-	-	-	-	-	15,400	16,940	18,634
Electricity (< min.service level)									-	-		
Electricity - prepaid (< min. service level)									-	-		
Other energy sources									-	-		
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	15,400	-	-	-	-	-	-	-	15,400	16,940	18,634
Refuse:												
Removed at least once a week (min.service)		9350							-	9,350	10285	11313
Minimum Service Level and Above sub-total		9,350	-	-	-	-	-	-	-	9,350	10,285	11,313
Removed less frequently than once a week									-	-		
Using communal refuse dump		6050							-	6,050	6655	7321
Using own refuse dump									-	-		
Other rubbish disposal									-	-		
No rubbish disposal									-	-		
Below Minimum Service Level sub-total		6,050	-	-	-	-	-	-	-	6,050	6,655	7,321
Total number of households	5	15,400	-	-	-	-	-	-	-	15,400	16,940	18,634
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)									-	-		
Sanitation (free minimum level service)									-	-		
Electricity/other energy (50kwh per household per month)		6050							-	6,050	6655	7321
Refuse (removed at least once a week)		6050							-	6,050	6655	7321
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per household per month)									-	-		
Sanitation (free sanitation service)									-	-		
Electricity/other energy (50kwh per household per month)		6,199							-	6,199	6,819	7,502
Refuse (removed once a week)		3,136							-	3,136	3,449	3,795
Total cost of FBS provided (minimum social package)		9,335	-	-	-	-	-	-	-	9,335	10,268	11,297
Highest level of free service provided												
Property rates (R'000 value threshold)		30000							-	30,000	30000	30000
Water (kilolitres per household per month)									-	-		
Sanitation (kilolitres per household per month)									-	-		
Sanitation (Rand per household per month)									-	-		
Electricity (kw per household per month)		50							-	50	50	50
Refuse (average litres per week)		302500							-	302,500	332750	366025
Revenue cost of free services provided (R'000)	17											
Property rates (R15 000 threshold rebate)		15,600							-	15,600	17,160	18,876
Property rates (other exemptions, reductions and rebates)		31,081							-	31,081	32,635	34,266
Water									-	-		
Sanitation									-	-		
Electricity/other energy		6,030							-	6,030	6,453	6,904
Refuse		2,993							-	2,993	3,143	3,300
Municipal Housing - rental rebates									-	-		
Housing - top structure subsidies									-	-		
Other									-	-		
Total revenue cost of free services provided (total services)	6	55,704	-	-	-	-	-	-	-	55,704	59,391	63,346

PART 2 – SUPPORTING DOCUMENTATION

Adjustments to expenditure on allocations and grant programmes

There was much change to the grant allocations from both National and Provincial Government. Below is a table that summarizes all the adjustments made.

DESCRIPTION	ORIGINAL BUDGET	ADJUSTMENT	ADJUSTED BUDGET
OPERATING GRANTS			
EQUITABLE SHARE	-36,332,000.00	0.00	-36,332,000.00
FINANCE MANAGEMENT GRANT	-1,600,000.00	0.00	-1,600,000.00
GRANT - MUSEUM	-598,000.00	296,000.00	-302,000.00
GRANT COUNCILLOR RENUMERATION	-2,962,000.00	0.00	-2,962,000.00
EPWP-GRANT	-1,000,000.00	0.00	-1,000,000.00
GRANT MUNICIPAL SYSTEM IMPR	-934,000.00	0.00	-934,000.00
GRANT - PROVINCIALISATION OF LIBRARIES	-1,950,000.00	0.00	-1,950,000.00
GRANT - COMMUNITY LIBRARY SERVICES	-252,000.00	126,000.00	-126,000.00
TOTAL	-45,628,000.00	422,000.00	-45,206,000.00
CAPITAL GRANTS			
GRANT MIG FUNDS	-17,289,000.00	0.00	-17,289,000.00
INEP - GRANT	-10,000,000.00	0.00	-10,000,000.00
SMALL TOWN REHABILITATION PROGRAMME	0.00	-3,000,000.00	-3,000,000.00
NEIRBOURHOOD DEV PARTNERSHIP GRANT	-1,326,000.00	-13,174,000.00	-14,500,000.00
INFRASTRUCTURE FACILITY	-150,000.00	-525,000.00	-675,000.00
TOTAL	-28,765,000.00	-16,699,000.00	-45,464,000.00

Adjustments to allocations and grants made by the municipality

There were no allocations and grants made by uMtshezi Municipality to any other municipality. There were, however, adjustments made to the municipality's allocations. The museum grant has been decreased by R296,000 From R598,000 to R302,000. The Community Library Services Grant has decreased by R126,000, From R252,000 to R126,000. The Municipality Received an allocation of R3,000,000 for the Small Town Rehabilitation Grant. The Infrastructure grant was increased by R525,000, from R150,000 to R675,000. Lastly the NDPG grant was increased by R13,174,000, from R1,263,000 to R14,500,000.

Adjustments to capital expenditure

Below is a table that highlights all the adjustments to the capital budget and its funding.

Description	Original	Adjustment	ADJUSTED
WASH BAY FOR WORKSHOP	50,000.00	-50,000.00	0.00
CONCRETE PALISIDE FENCE FOR STORES	500,000.00	-500,000.00	0.00
HIGH PRESSURE HORSE X2	15,000.00	-5,150.00	9,850.00
OFFICE CHAIRS X6	25,000.00	-25,000.00	0.00
OFFICEDESKS X7	30,000.00	-30,000.00	0.00
VISITORS CHAIRS FOR FOYER	10,000.00	-7,000.00	3,000.00
FRANKING MACHINE	25,000.00	-25,000.00	0.00
AIRCON&AIRCURTAIN(WEMBEZI LIBRARY)	40,000.00	-40,000.00	0.00
ROAD MARKING MACHINE	60,000.00	-60,000.00	0.00
4 FIREARMS (STUDENTS)	40,000.00	-40,000.00	0.00
VEHICLES(DEPUTY MAYOR & SPEAKER	0.00	765,042.45	765,042.45
LAPTOP FOR PMS	2,500.00	-2,500.00	0.00
WEATHER SHELTER (TRAFFIC)	10,000.00	-10,000.00	0.00
RECARPETING	15,000.00	-15,000.00	0.00
BULLET PROOF VESTS	30,000.00	-30,000.00	0.00
BOARDROOM TABLE FOR MAYOR	6,000.00	-4,516.93	1,483.07
LED MONITORS X2	5,000.00	-5,000.00	0.00
STEEL CUPBOARDS X2	5,000.00	-5,000.00	0.00
SWIVEL & TILT OFFICE CHAIR X1	1,000.00	-1,000.00	0.00
BLINDS FOR MAYORS PARLOUR	20,000.00	0.00	20,000.00
AIR CONDITIONER MAYORS PALOUR	20,000.00	-20,000.00	0.00
CHAIRS MAYORS PALOUR	5,000.00	-5,000.00	0.00
MAYORS BOARDROOM TABLE	10,000.00	0.00	10,000.00
DESK AND CHAIRS	50,000.00	-50,000.00	0.00
PRINTER	8,000.00	-8,000.00	0.00
NEW BELL ENGINE	171,000.00	-7,657.19	163,342.81
JACK HAMMERX3	68,400.00	-33,930.00	34,470.00
TRAILER FOR SIT ON ROLLER	68,400.00	-68,400.00	0.00
TRAILER FOR PEDESTRIAL ROLLER	57,000.00	-38,000.00	19,000.00
CONCRETE MIXER	114,000.00	-114,000.00	0.00
CONCRETE CURTER	91,200.00	-91,200.00	0.00
DESKTOP COMPUTER	34,200.00	-30,963.00	3,237.00
LAPTOP X2	27,360.00	-4,837.19	22,522.81
FAX MACHINE	3,420.00	-3,420.00	0.00
GENERATOR X3	34,200.00	0.00	34,200.00
WASHING MACHINE FOR PLANT & EQUIPMENT	45,600.00	-21,600.00	24,000.00
DIESEL BOWER WITH HAND PUMP	57,000.00	-10,245.61	46,754.39
YOUTH CENTER	30,000.00	0.00	30,000.00
SEWER AND WATER RETICULATION FOR BULMAM	150,000.00	-150,000.00	0.00
TRANSFER OF GRAIG FARM	200,000.00	-199,400.00	600.00
NDPG(BRIDGE FUNDING)	0.00	9,234,593.00	9,234,593.00
FURNITURE & EQUIPMENT	50,000.00	0.00	50,000.00
UPGRADE OF WEMBEZI CEMETRY	1,000,000.00	-873,000.00	127,000.00
LIBRARY CAPITALS	50,000.00	-27,668.00	22,332.00
CRANE TRUCK PURCHASE 20 TON	600,000.00	-600,000.00	0.00
REPLACE CIRCUIT BRAKERS	350,000.00	-350,000.00	0.00
STREET LIGHT	350,000.00	-350,000.00	0.00
PROTECTION UPGRADE FOR SUBSTATION	100,000.00	-100,000.00	0.00
TOOLS & EQUIPMENT	200,000.00	-171,747.37	28,252.63
UNDER TAKE STREETLIGHT IMPROVEMENTS	200,000.00	-200,000.00	0.00
TOTAL CAPITAL: INTERNALLY FUNDED			12,050,000.00
Grants			
FMG GRANT	100,000.00	0.00	100,000.00

Grants			
FMG GRANT	100,000.00	0.00	100,000.00
EKUTHULENI CRECHE	652,500.00	0.00	652,500.00
MHLUMBA CRECHE	652,500.00	0.00	652,500.00
BRYMBELLA CRECHE	652,500.00	0.00	652,500.00
ESIGODLWENI COMMUNITY HALL	2,163,600.00	0.00	2,163,600.00
MADULANENI GRAVEL ROAD	2,726,550.00	0.00	2,726,550.00
BLACKTOP SURFACE ROAD (ESTCOURT)	6,108,300.00	0.00	6,108,300.00
BLACKTOP SURFACE ROAD (WEMBEZI)	2,604,150.00	0.00	2,604,150.00
RETENTIONS	1,728,900.00	0.00	1,728,900.00
WEMBEZI UPGRADE	1,326,000.00	13,174,000.00	14,500,000.00
LIBRARIES GRANT	550,000.00	0.00	550,000.00
WENEEN STORM WATER	0.00	3,000,000.00	3,000,000.00
COMM OF 33KV WEMBEZI SUBSTATION	5,000,000.00	0.00	5,000,000.00
33/11KV SUBSTATION 57	5,000,000.00	0.00	5,000,000.00
TOTAL CAPITAL GRANT			45,439,000.00
External Loans			
CCTV CAMERAS	0.00	2,500,000.00	2,500,000.00
		0.00	
TOTAL CAPITAL: BORROWINGS		2,500,000.00	2,500,000.00

Municipal manager's quality certificate

I, Ms P.N. Njoko, the Municipal Manager of uMtshezi Municipality, hereby certify that the 2014/15 adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the 2014/15 adjustments budget and the supporting documentation are consistent with the Integrated Development Plan of the municipality.

Name: Ms P.N. Njoko
Municipal Manager of uMtshezi Municipality, KZ234

Signature: _____

Date: _____